

NATIONAL CANNERS ASSOCIATION



Information Letter



FOR N. C. A. MEMBERS

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Tomato Tariff Hearing

The hearing before the U. S. Tariff Commission on the petition to increase the customs duty on canned tomatoes and tomato paste under the provisions of Section 315 of the Tariff Act of 1922 began on Tuesday, September 18, and continued until Friday.

A meeting of the Tomato Imports Committee of the National Canners Association was held on Monday at the Association's office to arrange for presentation of testimony supporting the petition.

U. S. Senator William Cabell Bruce and Representative T. Alan Goldsborough of Maryland and Representative Robert G. Houston of Delaware appeared before the Commission at its opening session on Tuesday on behalf of the petitioners. Following their addresses, representatives of the American Farm Bureau Federation were heard, including Chester Gray, legislative agent of the Bureau in Washington; W. R. Ogg, assistant legislative agent; Howard B. Hancock of Cumberland County, N. J.; William G. Smith of Kent County, Md., and Fred R. Bartlett of Easton, Md.

Representatives of the canning interests were then heard, including J. Richard Phillips, Jr., Berlin, Md.; F. M. Shook, Field Secretary, Tri-State Packers' Association, Easton, Md.; C. A. Lumb, California Packing Corporation, New York City; H. L. Cannon, H. P. Cannon & Son, Bridgeville, Delaware, ex-President of the National Canners Association, and Preston Mc-

Kinney, Secretary of the Cannery League of California, San Francisco, Calif.

Following Mr. McKinney's testimony on canned tomatoes the subject of tomato paste was taken up, and Mr. McKinney and Carl Scudder of Windfall, Ind., Chairman of the Association's Committee on Tomato Imports, were heard.

This concluded the presentation of the case by the domestic canning industry, and representatives of the importers of Italian tomato products then submitted statements and introduced witnesses.

Dr. Alberto C. Bonaschi, Secretary of the Italian Chamber of Commerce in New York, on behalf of that organization and other Italian Chambers of Commerce in this country, presented a statement embodying replies to the questions incorporated in the Tariff Commission's preliminary statement, and formally opposing any increase in the duty on canned tomatoes and asking for a 50 per cent reduction in the duty on tomato sauce.

C. A. Tosi of F. Pastene & Co., importers of Italian products, then submitted a statement, and the hearing proceeded with the testimony of several representatives of Italian import interests.

Besides Dr. Bonaschi and Mr. Tosi, there were present as representatives of the Italian interests, M. Narizzano, agent for Cirio & Co.; E. Sozzi, agent for Cella, Inc., and L. J. Scaramelli of Scaramelli & Co., New York.

Examination of witnesses was conducted by Judge J. Harry Covington and Spencer Gordon for the domestic canning industry, and by C. A. Tosi for the Italian import interests.

Weather and Crops

Rainfall was heavy to excessive in the Florida Peninsula and along the southeastern coast, attending the passage of the tropical storm, according to the Weather Bureau's report for the week ended September 18. Moderate to heavy precipitation was reported in the central and northern Mississippi Valley and in the Lake region, while there were some locally moderate rains in the Northeast. Amounts were light in the southern Ohio Valley, southern trans-Mississippi States, and generally from the central and southern Great Plains westward. In the Pacific Northwest beneficial showers occurred, but no rain fell in the Southwest from western Texas to the Pacific coast.

The weather was mostly favorable for farm work in the Northeast, and in the Ohio Valley outdoor operations made good

advance, except that the ground was too dry locally for seeding, although in some districts good rains occurred. Heavy to excessive rains in the upper Mississippi Valley caused delay to farm work, although the increased soil moisture was beneficial in some areas. In the northern Great Plains there was interruption to threshing, plowing and seeding, but at the close of the week this work was vigorously resumed. There was very little rain from the Rocky Mountains westward and the soil was too dry to work, but in the Pacific Northwest beneficial rains checked forest fires and improved soil moisture. There were some frosts reported in elevated districts of the West, but very little damage resulted as crops had mostly matured.

Good rains in parts of Texas were favorable for planting in the winter trucking sections and favored pastures and minor crops. In the Southwest, the dry, hot weather, with abundant sunshine, until the last days of the week, was highly favorable for farm work and maturing crops but at the close the tropical hurricane brought torrential rains and high winds to most sections from Florida northeastward to North Carolina.

Snap Bean Forecast

The production of snap beans for manufacture in 1928 is estimated by the U. S. Bureau of Agricultural Economics on the basis of condition on September 1 as 71,200 tons, a reduction of 18,700 tons or about 21 per cent, from the estimate of August 1. The acreage and the production forecast, by states, are as follows:

State	Acreage			Production Forecast	
	1927	1928	1927	Aug. 1, 1928	Sept. 1, 1928
	Acres	Acres	Tons	Tons	Tons
Arkansas	880	1,790	1,700	3,800	2,200
California	450	480	2,000	2,200	2,200
Colorado	840	1,020	1,600	3,700	3,700
Delaware	400	670	600	1,700	1,100
Indiana	850	1,800	2,000	3,800	3,200
Maine	600	970	1,400	2,400	2,300
Maryland	3,300	4,360	5,000	10,900	7,000
Michigan	2,400	2,950	2,200	8,000	5,300
New York	5,530	6,840	7,700	17,100	11,600
Oregon	650	940	1,600	3,600	2,400
Pennsylvania	890	1,060	1,400	2,300	2,400
Tennessee	1,350	1,220	1,800	3,000	2,900
Utah	880	1,430	2,400	4,700	3,700
Washington	370	850	1,000	3,000	2,900
Wisconsin	3,910	4,850	5,100	13,100	12,100
Other States	1,540	2,850	2,200	6,600	4,800
Total	24,740	34,080	39,700	89,900	71,200

Winter Lettuce Acreage

The acreage planted and intended to be planted in lettuce in the Winter States is estimated by the U. S. Bureau of Agricul-

tural Economics at 51,570 acres, as compared with 38,110 acres in the 1927-28 season and 43,680 acres in 1926-27.

Effect of Recent Storms on Porto Rican Fruit

Fruit trees were stripped of fruit and foliage by the storms which swept over Porto Rico, according to a cable of September 17 from Assistant Trade Commissioner McKey at San Juan. The young trees generally escaped other injury but many of the older ones were broken off or uprooted. The few canning plants which escaped destruction are unable to handle the fallen fruit on account of the lack of electric current by which they operate.

Tomato, Corn, and Cabbage Forecasts

With last week's Information Letter there were mailed revised estimates of the output of tomatoes and sweet corn for canning and an estimate of the production of cabbage for kraut, issued by the U. S. Bureau of Agricultural Economics on September 15.

As indicated by the September 1 condition, the production of tomatoes will be 924,900 tons, compared with the August 1 estimate of 1,107,500 tons. The sweet corn forecast on the basis of September 1 condition was 651,800 tons, as compared with the August 1 forecast of 730,000 tons. The production of cabbage for kraut was forecast at 141,600 tons, as compared with an actual yield of 164,700 tons in 1927.

California Peach, Pear and Apricot Crops

There is no change in the peach outlook compared with a month ago when the total crop was forecast at 609,000 tons, according to the September 11 report of the California Cooperative Crop Reporting Service. Last year the total production of all varieties amounted to 492,000 tons compared with 541,000 tons in 1926. The forecast of the total crop of Cling peaches produced remains at 395,000 tons. The tonnage actually being canned, however, is somewhat under the forecasted production due to the fact that canneries are receiving only fruit of high quality. Furthermore, weather conditions during July were unfavorable to the proper development of the fruit, which caused more than the usual percentage of the crop to be of poor quality.

The Tuscan crop was most severely damaged, and only 62 per cent of the estimated production was canned. All Midsummer varieties, however, packed out about 80 per cent of the estimated production. Phillips are now being harvested and from

present indications will pack out slightly better than the Midsummers. The total production of Clingstone peaches in 1927 amounted to 322,000 tons, of which about 72 per cent was canned. Two years ago the crop was estimated at 327,000 tons and 96 per cent was canned. The 1928 production of Freestone peaches is forecast at 214,000 tons which may be compared with 170,000 tons produced in 1927 and 214,000 tons in 1926.

The total crop of pears of all varieties is now forecast at 220,000 tons, which is but slightly under the forecast of a month ago. Late producing areas, particularly Lake and Mendocino Counties, fell short of their estimates. In 1927 the total crop of pears amounted to 181,000 tons, while in 1926 the tonnage harvested was estimated at 207,000 tons.

The preliminary estimate on the total production of apricots is placed at 169,000 tons, which is the same as forecast one month ago. The tonnages canned, dried and shipped this season are all under the tonnages so utilized a year ago. Last year the crop of apricots amounted to 208,000 tons, and 176,000 tons in 1926.

Truck Crop Markets

Shipments of fruits and vegetables show the usual tendency at this season to increase of movement from northern shipping sections, according to the Market News Service report for the week ending September 15. Shipments of leading lines for the week were close to 30,000 carlots, a gain of 7,000 for the period. Much of the increase was in potatoes, eastern apples and in grapes.

Shipments of cabbage showed steady increase in September up to the middle of the month and were often exceeding those of corresponding days a year ago.

Prices of apples have been holding fairly well with a few gains on varieties of which the production is light this season. Very little buying is reported as yet in main-crop varieties, even in southern producing sections.

Prices of pears continued well maintained in producing sections of New York and Michigan. The position seems to be a trifle weaker at West Michigan shipping points. The carlot movement of pears averaged nearly 300 cars per day, compared with a little over 200 a year ago, but the total was close to that of the preceding week.

Peach markets recorded rather more advances than declines. The carlot supply like the price was irregular and the

demand likewise was one of the weaker features in Mid-September.

Supplies of grapes show the usual September tendency to increasing movement. They approached 8,000 carloads last week compared with a little over 7,000 a year ago. Of these the greater part came as heretofore from central and northern California.

Crop conditions of field beans declined a little farther during August causing a shrinkage of nearly one million bushels in the prospective crop. Conditions are still moderately favorable in the West but especially poor in Michigan, the largest producing section, where serious damage occurred during hot, moist weather causing almost complete failure in some fields. Whatever damage occurred in the mountain section was mainly from dry weather and hail storms. Lack of moisture caused some shrinkage of the non-irrigated crop on the West Coast, but California condition remained fairly good. Threshing of the California lima crop was expected to begin the middle of this month. The bean market is supposed to be in favorable position because of the very light carry-over of old stock and the moderate production in sight with estimated total below the five-year average and particularly light in various leading market varieties.

The tomato pack seems likely to run considerably below last year's total according to present trade estimates. Yield appears to have been greatly reduced in leading eastern canning sections and some unfavorable reports arrived from middle western tomato districts. Most favorable conditions appear to prevail in the West and a normal pack is likely in southern California.

CARLOT SHIPMENTS

Commodity	Sept. 9-15 1923	Sept. 2-8 1923	Sept. 11-17 1927	Total this season to Sept. 15	Total last season to Sept. 17	Total last season
Apples, total	3,584	1,805	2,806	13,396	11,001	93,045
Western	998	611	704	4,742	2,644	48,671
Eastern	2,586	1,194	2,102	8,654	8,357	44,374
Cabbage	856	474	815	20,549	18,962	39,059
Carrots	100	67	(a)	5,564	(a)	6,779
Cauliflower	194	115	176	442	450	9,056
Pears	17	34	37	4,518	3,920	1,149
Mixed deciduous fruits..	254	431	282	5,544	4,606	5,407
Mixed vegetables	574	531	619	26,204	27,147	35,045
Peaches	2,069	3,922	2,642	53,815	39,624	41,553
Pears	1,909	1,991	1,415	16,644	12,761	18,712
Peppers	64	51	50	2,380	2,100	2,824
Plums and prunes	767	523	504	6,107	4,746	5,983
String beans	10	8	45	6,004	5,558	5,481
Tomatoes	1,013	704	1,245	24,926	25,645	32,632

(a) Unavailable

Italian Tomato Crop

The Italian tomato crop this year is very poor, owing to the prolonged drought in most growing districts, according to a report from the American consul at Naples, received by the

Foodstuffs Division of the Bureau of Foreign and Domestic Commerce. The crop in Sicily is reported almost entirely destroyed because of the exceeding dryness, while the crops in the producing areas in Northern Italy are little better. The most favorable situation as regards tomatoes is in the important Naples district where the quantity is reported as slightly above normal. In Campania the greater part of the production comes from irrigated lands, so that the production in general in Campania is quite good; in fact, in point of quantity the crop in that particular district is reported as slightly above normal. The crops in the other districts not well irrigated are stated to be upwards of 50 per cent less than a normal crop.

Owing to the drought the quality of the tomatoes in general is very poor, many of the tomatoes having yellow spots, which affect the color of the product. The quality of the fruits in Campania in general is considerably above that from other regions; and the quality of the tomatoes coming from the irrigated lands in Campania is reported as quite good. However, the production of good quality tomatoes will be small in proportion to the total production and especially a normal production.

There is every indication that the exports of canned peeled tomatoes and tomato paste to the United States this year will be at a considerably lower level than last year and previous normal years. One leading authority in the Naples trade estimates that the Italian exports to the United States of tomato sauce will be 20 per cent less than last year while the exports of peeled tomatoes will be 50 per cent less.

Owing to the lower production and strong demand from packers in Italy, the prices of tomatoes in Naples are high and steadily rising. Packers in Sicily and Northern Italy, in order to cover their requirements of raw material, have invaded the Naples market and this increased buying competition has tended to send prices soaring. One leading Naples packer reports that while they were able to buy tomatoes in the Naples district last year at from \$1.03 to \$1.55 per 220 pounds (100 kilograms), not less than \$2.10 per 100 kilograms must now be paid. In Northern Italy prices are reported to be still higher and that it is difficult to buy tomatoes there at even so high a figure as \$2.62 per 100 kilograms.

World Agricultural Census

Arrangements for taking a world agricultural census in 1930 have been practically completed, the countries, colonies, and mandate territories which have promised active participa-

tion in the census representing approximately 98 per cent of the agriculture of the world.

The figures will give the number and size of farms, the area and production of important crops, and the number of each kind of livestock by age and sex classifications. In the Northern Hemisphere the census will be taken after the crops of 1929 are harvested, probably in the early months of 1930. In the Southern Hemisphere, where seasons are reversed, the census will cover crop production of the year beginning July 1, 1929, and ending June 30, 1930, probably in the early months of the winter there.

Each country participating in the work will take the census with its own organization and methods, following a standard form furnished by the Institute of Agriculture, and will summarize and publish its own results. These results when available will be brought together in world tables and published by the institute at Rome, probably in 1931 or 1932.

Wholesale and Retail Prices in August

The trend of wholesale prices continued upward in August according to information collected by the U. S. Bureau of Labor Statistics. The Bureau's weighted index number stands at 98.9 for August compared with 98.3 for July, an increase of over one-half of 1 per cent. Compared with August, 1927, with an index number of 95.2, an increase of nearly 4 per cent is shown.

The retail food index issued by the Bureau shows for August 15, 1928, an increase of a little less than 1 per cent since July 15, 1928; an increase of a little more than 1 per cent since August 15, 1927; and an increase of 52.8 per cent since August 15, 1913. According to the Bureau's figures, the retail price of evaporated milk increased by an average of 1 per cent; there was no change in canned corn and tomatoes, while canned red salmon decreased 3 per cent and canned peas 1 per cent.

The average wholesale prices of canned foods in August, as compared with prices in the preceding month and in August, 1927, are as follows:

	August, 1927	July, 1928	August, 1928
Salmon, Alaska red, per doz., factory	\$3.020	2.800	2.800
Peaches, 2½'s, per doz., New York	1.775	1.775	1.775
Pineapple, 2½'s per doz., New York	2.250	2.250	2.250
String beans, per doz., New York	1.150	1.210	.925
Corn, 2's, per doz., factory955	1.075	.975
Peas, per doz., New York	1.225	1.225	1.225
Tomatoes, 3's, per doz., New York	1.500	1.400	1.400
Milk, condensed, per case, New York	5.825	5.965	6.175
Milk, evaporated, per case, New York	4.575	4.340	4.450

Farm Prices in August

The index of farm prices on August 15 at 139 was 6 points lower than on July 15 and 7 points higher than the index of a year ago. This recession was caused by a general decline in prices of crops which more than offset higher prices of livestock and livestock products.

Business Conditions

The dollar volume of business during the week ended September 15, as measured by the volume of check payments, was greater than in either the previous week or the corresponding period of 1927, according to the weekly statement of the Department of Commerce. The general index of wholesale prices averaged higher than in either the previous week or the same week of 1927. Interest rates and call funds averaged lower than in the preceding week but were higher than a year ago. Time-money rates were higher than in either prior period. Loans and discounts of Federal reserve member banks were lower than in the previous week but higher than a year ago. Business failures were more numerous than in the preceding week but smaller in number than a year ago.

CAR LOADINGS

Period	Total	Miscellaneous	Merchandise L.C.L.	Other
Week ended	991,042	388,238	230,816	371,988
Preceding week	1,116,948	444,668	263,587	408,693
Corresponding week, 1927	989,799	378,256	234,720	376,823
Corresponding week, 1926	1,024,998	377,927	235,846	411,225

Employment in August

Employment in manufacturing industries increased 1.5 per cent in August as compared with July, and pay-roll totals increased 3.2 per cent, according to a preliminary report made by the Bureau of Labor Statistics. Increased employment in August is a usual occurrence owing to the completion of July inventory-taking and repairs, but this increase in August, 1928, is significantly greater than in any one of the last five years, and in August, 1923, there was actually a falling-off in employment. A greater number of separate industries reported increased employment in August, 1928, than in any month since October, 1925.

Employment in wholesale trade was 0.3 per cent less in August, 1928, than in July, 1928, and pay-roll totals were 3 per cent lower. These comparisons are based on reports from 489 wholesale establishments, having in August 22,380 employees.

Employment in retail trade was 2.2 per cent greater in August, 1928, than in July, 1928, and pay-roll totals were 2.3 per

cent lower. These comparisons are based on reports from 849 retail establishments, having in August 75,221 employees.

Paperboard Industry Trade Practice Conference

The Federal Trade Commission will hold a trade practice conference with members of the paperboard industry to consider unfair commercial practices said to exist in that trade. A date has not been set but the meeting will be held in Chicago sometime in October. Commissioner Abram F. Myers has been named to preside at the conference.

Members of the industry have signified to the commission their desire to find ways to eliminate such practices as price discrimination, inducing breach of contract, misbranding, secret rebates, and misrepresentation.

The industry includes manufacturers and distributors of paperboard, corrugated and solid fiber boxes, as well as folding paper boxes or cartons.

Simplification Project for Preserve Jars and Jelly Glasses Approved

Proposed simplified practice recommendations for preserve jars and jelly glasses were approved at a general conference of producers, distributors and users of these commodities held at Cleveland, Ohio, Tuesday, in conjunction with the mid-year convention of the National Preservers Association, according to an announcement by the Division of Simplified Practice of the U. S. Department of Commerce.

The proposed recommendation, unanimously approved at the general conference Tuesday, reduced the variety of preserve jars from 36 to 8, and variety of jelly glasses from 24 to 7.

This recommended simplification will now be submitted to the entire industry by the Division of Simplified Practice for signed acceptances, which must represent at least 80 per cent of the producers, distributors and users, by volume of annual consumption and production.

Complaint Filed on Grapefruit Freight Rates

Two complaints (Dockets 21324 and 21325) have been filed with the Interstate Commerce Commission asking for the establishment of reasonable rates on canned grapefruit from Eagle Lake, Fla., the first involving rates from that point to Tampa and Jacksonville, Fla., when for water movement beyond, and the second involving rates to points in Central Freight Association territory and to St. Louis, Mo., and Richmond, Va.

Address on Food Poisoning Reprinted

The Public Health News, published by the New Jersey State Department of Health, Trenton, N. J., reprints in its July issue the address by Dr. A. C. Hunter, of the U. S. Food, Drug and Insecticide Administration before the annual convention of the Central States Association of the American Dairy, Food & Drug officials at Richmond, on the causes of food poisoning. In his paper, Dr. Hunter also presented a resume of recent cases of food poisoning.

Foreign Trade Notes

Analyses of foodstuffs by Argentine Chemical Office.—Out of 219 analyses made of imports during 1927 which were rejected by the National Chemical Office of Argentina as unfit for consumption, only nine came from the United States, and out of a total of 2,762,170 pounds rejected only 13,418 pounds were from the United States, according to the American commercial attache at Buenos Aires.

Of the total the largest items were 9,020 pounds canned fish, which was mostly salmon in unlacquered cans, together with a few sardines, and 3,278 pounds consisting of two shipments of chewing gum, one of 2,275 pounds and one of 1,003 pounds. Another shipment consisted of gum drops, one of fruit essences, one of candy, one of alcoholic essences, one of artificial essences and one of natural fruits.

Reports available from Commerce Department.—The Department of Commerce has received a very interesting and valuable report on the concentrated milk industry of Norway from the American vice consul at Oslo, and a comprehensive report on the fresh fruit industry of France and the market for American canned and dried fruits from the American consul at Lyon. Copies of these reports will be made available to interested American firms upon application either direct or through any of the Department's district or cooperative offices.

Philippines use few Japanese sardines.—The American trade commissioner at Manila reports that sardines canned in Japan are practically unknown in the Philippines. During the six years, 1921 to 1926 inclusive, imports of sardines from Japan averaged only about \$70.00 a year. It is the consensus of opinion foodstuffs importers in Manila that the few Japanese sardines shown in the import statistics are for consumption by the Japanese communities in Manila and Davao.

Canned fruit exports by foreign countries.—Exports of fruits preserved in liquid from Australia in June amounted to 7,426,503 pounds valued at \$694,790, compared with 1,061,007 pounds valued at \$107,787 in June, 1927. Apricot exports in June, 1928, amounted to 1,092,384 pounds; peaches, 5,176,925 pounds; pears, 1,118,132 pounds.

Exports of canned pineapple from British Malaya in March, April and May totaled 15,761 tons valued at \$1,457,214. As usual, the bulk of the exports were to the United Kingdom and British possessions.

Exports of canned and bottled fruits from the Union of South Africa in May totaled 206,843 pounds valued at \$17,785, as compared with 501,437 pounds valued at \$56,903 in May, 1927. Of the exports in May, 1928, pineapple accounted for 200,969 pounds valued at \$16,969.